

Congress of the United States

Washington, DC 20510

May 9, 2022

The Honorable Jessica Rosenworcel
Chairwoman
Federal Communication Commission
45 L Street NE
Washington, DC 20554

The Honorable Brendan Carr
Commissioner
Federal Communication Commission
45 L Street NE
Washington, DC 20554

The Honorable Geoffrey Starks
Commissioner
Federal Communication Commission
45 L Street NE
Washington, DC 20554

The Honorable Nathan Simington
Commissioner
Federal Communication Commission
45 L Street NE
Washington, DC 20554

Dear Chairwoman Rosenworcel, Commissioner Carr, Commissioner Starks, and Commissioner Simington:

Pursuant to Section 60104 of the *Infrastructure Investment and Jobs Act* ("the Act"), the Commission initiated a proceeding on December 15, 2021 seeking comment on issues related to the future of the Universal Service Fund (USF) in light of the broadband investments called for by the Act.¹ Upon gathering the findings, the Commission is then directed to issue a report to Congress by August 12, 2022. We write to request that you closely examine and consider updates to the types of costs that are eligible for USF reimbursement.

Today, broadband is considered an essential service and network traffic is growing exponentially. Video streaming services, in particular, are now estimated to account for 75 percent of data on rural broadband networks.² It has also been reported that some streaming video companies use technology to detect the robustness of broadband networks so they can deliver the highest quality video to the end user, which has required network upgrades at a much quicker pace. Some examples of equipment often updated include network cards, routers, and switches, but there are additional expenses required for the delivery of video streaming services.

Rural broadband providers have difficulty raising prices to cover these costs: their subscribers are particularly sensitive to affordability concerns. As a result, millions of dollars in unrecovered costs from video streaming companies are shifted and borne by small rural broadband providers. This is yet another factor that contributes to the rural broadband digital divide we see today.

We strongly request that the Commission's examination, under Section 60104 of the Act, include the costs of data transportation, and the costs associated with the use, maintenance, and

¹ *Infrastructure Investment and Jobs Act*, Pub. L. No. 117-58, § 60104, 135 Stat. 429, 1205 (2021).

² Layton, Roslyn et. al., "Rural Broadband and the Unrecovered Cost of Streaming Video Entertainment," *ITS Gothenburg* (June 2021), available at <https://bit.ly/3JtfCX9> (last accessed Feb. 8. 2022).

upgrading of the middle mile portions of broadband networks in rural areas. Should the status quo continue, small rural broadband providers and their subscribers will be forced to bear the escalating costs of delivering streaming video. A failure to include such consideration(s) would harm rural families, and contribute to furthering the digital divide in America.

We look forward to hearing from you and working with you in the future on this very important issue. If you have any questions related to this request, please reach out to Holmes Whalen at holmes.whelen@mail.house.gov.


Sincerely,



Markwayne Mullin
Member of Congress



James R. Baird
Member of Congress
Ranking Member, Research
and Technology



Mariannette Miller-Meeks,
M.D.
Member of Congress



Pete Stauber
Member of Congress



David B. McKinley, P.E.
Member of Congress



Mike Bost
Member of Congress



Kat Cammack
Member of Congress



Pat Fallon
Member of Congress



Randy Feenstra
Member of Congress



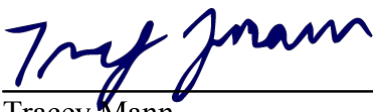
Earl L. "Buddy" Carter
Member of Congress



Garret Graves
Member of Congress



Kevin Hern
Member of Congress



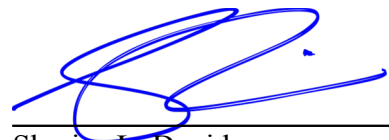
Tracey Mann
Member of Congress



Jake LaTurner
Member of Congress



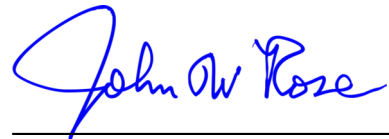
Tom Cole
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Member of Congress



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Member of Congress